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TO: Deputy Director of Central Intelligence

SUBJECT: Release of Personnel

1. PROBLEM:

To devise procedures which will make possible the identification and release of persons whose record of past service and behavior has been satisfactory but whose continued employment would impair the efficiency of the Agency.

2. FACTS BEARING ON THE PROBLEM:

- a. The Agency carries an unusually high proportion of its employees in grades 11 through 15. The continued promotion of able younger people into these grades is necessary to assure the future efficiency of the service. There is relatively little attrition in these grades.
- b. There are a number of persons on the Agency rolls in these grades whose continued employment in their present positions and in positions into which they might be moved or for which they might be trained would impair the efficiency of the Agency.
- c. Attrition in grades GS-10 and below is more than sufficient to provide openings and opportunities to all junior personnel.
- d. Deputy Directors and heads of Career Services are responsible for the composition and efficiency of their Career Services.
- e. The military services and the Foreign Service are authorized to release officers who have completed a stated number of years of service and who in some instances have failed to achieve promotion into specified higher grades, and to pay annuities to such officers.
- f. The Agency is unable, thus far, to pay a retirement annuity to persons voluntarily retiring when they reach age 50. On the other hand, a person who is involuntarily separated at the completion of 20 years at age 50 or 25 years at any time before age 50 draws a reduced annuity.
- g. Section 102(c) of the National Security Act of 1947 provides the DCI with authority to separate employees of the Agency when necessary or advisable in the interests of the United States.

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3. DISCUSSION:

- a. Although there are a number of different early retirement and selection-out procedures operative within the Government, there is no procedure which can be used as a precedent in planning to meet the Agency's needs. Existing procedures depend on one or another of the following conditions, none of which is applicable to this Agency in the context of this study:
 - (1) A record of unsatisfactory behavior or work on the part of the employee.
 - (2) A planned reduction in the number of employees.
 - (3) Authorization to pay annuities to persons being retired without prejudice for failure to advance into specified higher grades.
- b. Failure to achieve promotion within a stated number of years should be used as the criterion for the identification of cases to be reviewed under the planned procedures.
- c. Because of the nature of many of the tasks performed in the Agency it is to be expected that a considerable number of valuable employees will repeatedly come under review if this criterion is applied. The continued employment of a number of these employees despite the fact that they are not promoted, in no way runs counter to the objectives of these procedures.
- d. In fairness to the person being discharged it will be necessary that the action be based on adequate and reasonable grounds. Those persons who, despite a satisfactory written record have, in fact, been less than satisfactory employees, should face charges. It is proposed that the reason for discharge in other cases be given as, "Failure to qualify for advanced training." This statement does not reflect on the past record of performance but does indicate that the individual concerned has reached a stage in his employment where his future usefulness is limited. Each such case will be reviewed from the point of view of possible training and continued utilization.

4. CONCLUSION:

The Agency can establish procedures for the identification and release of persons whose continued employment would impair the efficiency of the Agency.

5. ACTION RECOMMENDED:

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SUBJECT: Release of Personnel

- a. That the attached proposed Agency Notice, providing for the selection and termination of persons, be approved and published.
- b. That the Director of Personnel increase the effectiveness of the Agency's out-placement service.

Gordon M. Stewart
Director of Personnel

Attachement
Proposed Agency Notice

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Attachment to Staff Study
re Release of Personnel

PROPOSED NOTICE

For the purpose of identifying and releasing those persons whose record of past service and behavior has been satisfactory but whose continued employment would impair the efficiency of the Agency, the following procedures are hereby established:

1. Within three months of the publication of this notice, and annually thereafter, the heads of the Career Services will review the qualifications of all persons who have been in grades GS-11 through 15 three years or more and select for separation all persons whose continued employment would impair the efficiency of the Agency.
2. The qualifications of persons so selected will be further reviewed by the Director of Personnel who will make a final selection of those for separation from the Agency, having in mind the possibility of further training and transfer to other components and/or reduction in grade.
3. Persons selected for separation under these procedures will be informed in writing of their intended release, the reasons therefor, and will be granted thirty days during which to appeal. At the conclusion of thirty days, there being no change in the Agency's decision, the Director of Personnel will cause them to be removed from the rolls of the Agency.

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